

National Income at Nearly 70 Billion Dollars in 1939

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NATIONAL income in the United States in 1939 totaled nearly 70 billion dollars. Except for the 71.2 billion dollar total in 1937, the 69.4 billion dollar value of goods and services produced in 1939 was above that of any year since the 82.9 billion dollar peak recorded in 1929. With increased output in all industrial groups, the net value of production rose 5.8 billion dollars in 1939, or 9.1 percent, from the 63.6 billion dollar aggregate in 1938.

The large rise in 1939 resulted in considerable measure from the accelerated expansion in business activity which followed the outbreak of the war in September. As indicated by the index of income payments published regularly in the Survey of Current Business, the flow of income during the first half of 1939 was only moderately above the rate prevailing in 1938. During this 6-month period, the national income was being produced at an annual rate not much in excess of 65 billion dollars. A definite rise began in the summer of 1939, and at the time of the outbreak of war early in September the national income rate closely approximated the average level for the year.

Under the impetus of anticipated war demand and a resulting sharp expansion in inventories, production in many industries rose substantially in the final months of 1939. Prices also increased during the early weeks of the European conflict and generally were maintained throughout the closing months of the year. The enlarged output at higher prices raised the flow of national income by the year end to an annual rate in excess of 75 billion dollars. During the first 4 months of 1940, income contracted at approximately the same rate at which it had expanded in the final months of 1939; the flow of income in April 1940 had fallen to the 1939 average.

Income in Fixed Prices Probably at New Record in 1939.

The national income measured in prevailing prices reflects both changes in the quantity of goods and services produced and in the prices of these products. Changes in the dollar figures alone do not measure changes in the output of the Nation because of marked variations in the price level.

The "real" national income in 1939—that is, the dollar total adjusted for price changes—was at least equal to and probably above the previous record of 1929. Existing price series are not adequate to convert the dollar income figures into real income with precision, but the margin extant after making adjust-

ments with readily available price series indicates the probability of a new record level of production of goods and services in the United States in 1939. Since the population of the United States in 1939 was approximately 10 million larger than in 1929, however, there is little doubt that the per capita real income in 1939 continued well below that of 1929. The dollar national income in 1939 was 16.3 percent below the 1929 total, but prices, as reflected in available price indexes, showed larger declines over the period. The cost of living of urban wage workers was 17.4 percent less than in 1929 and wholesale prices were down 19.1 percent. Neither the wholesale price index, which is a particularly sensitive series, nor the cost-of-living index, which applies only to items included in the

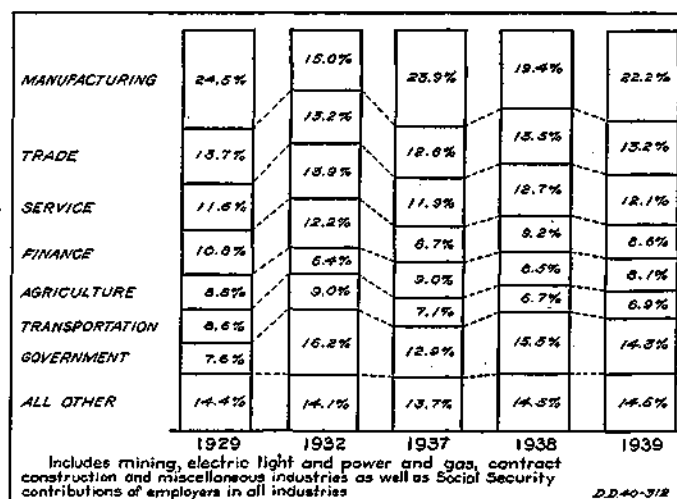


Figure 4.—Contributions to the National Income by Industrial Divisions, Selected Years, 1929-39.

budget of urban wage workers, is satisfactory for adjusting the dollar income figures for price changes. However, these price data and available production statistics warrant the conclusions drawn above.

Concepts and Terminology.

The national income is designed to measure the aggregate output resulting from economic activities in the United States. In other words, it is an aggregate of the value of all food, clothing, shelter, services, and capital equipment which are created through the efforts of the individuals in the nation. It is defined as the *net* value of all goods and services produced within a given period. The measure is net in the sense that the value of raw materials and of plant and equipment consumed in the process of production is

Table 1.—National Income, by Industrial Divisions

(Millions of dollars)

Item	1929	1930	1931	1932	1933	1934 ¹	1935	1936	1937	1938	1939
Total national income.....	82,885	68,901	54,310	40,074	42,430	50,347	55,870	65,165	71,172	63,610	69,378
Agriculture.....	7,258	5,622	3,729	2,551	3,419	4,553	5,276	5,970	6,378	5,432	5,635
Mining.....	1,883	1,327	748	524	590	991	1,028	1,299	1,530	1,072	1,232
Electric light and power and gas.....	1,425	1,324	1,240	1,066	1,026	1,127	1,152	1,233	1,380	1,365	1,384
Manufacturing.....	20,308	14,987	10,194	6,009	8,162	10,510	12,402	14,978	16,994	12,359	15,425
Contract construction.....	3,670	2,759	1,862	906	551	735	964	1,570	1,902	1,749	2,148
Transportation.....	7,108	6,155	4,946	3,622	3,587	3,817	4,133	4,795	5,088	4,261	4,800
Communication.....	1,047	1,011	907	722	640	679	723	770	839	808	863
Trade.....	11,314	9,248	7,415	6,200	6,031	6,971	7,608	8,516	9,131	8,593	9,135
Finance.....	8,915	7,836	6,441	4,895	4,318	4,630	5,131	5,749	6,189	5,837	5,983
Government, including work-program wages.....	6,330	6,438	6,518	6,487	6,563	7,632	7,923	9,446	9,153	9,846	9,884
Government, excluding work-program wages.....	6,330	6,438	6,459	6,355	5,917	6,202	6,584	7,063	7,370	7,701	8,015
Work-program wages.....			59	132	646	1,430	1,339	2,383	1,783	2,145	1,869
Service.....	9,615	8,725	7,343	5,579	5,321	6,181	6,828	7,643	8,477	8,067	8,374
Miscellaneous.....	4,012	3,472	2,967	2,393	2,192	2,518	2,695	2,897	3,161	3,102	3,319
Social security contribution of employers.....						3	7	299	950	1,119	1,196
Percentages of 1929											
Total national income.....	100.0	83.1	65.5	48.3	51.2	60.7	67.4	78.6	85.9	76.7	83.7
Agriculture.....	100.0	77.5	51.4	35.1	47.1	62.7	72.7	82.3	87.9	74.8	77.6
Mining.....	100.0	70.5	39.7	27.8	31.3	52.6	51.6	69.0	81.3	56.9	65.4
Electric light and power and gas.....	100.0	92.9	87.0	76.9	72.0	79.2	80.8	86.5	96.8	95.8	97.1
Manufacturing.....	100.0	73.8	50.2	29.6	40.2	51.8	61.1	73.8	83.7	60.9	76.0
Contract construction.....	100.0	75.2	50.7	24.7	15.8	20.0	26.3	42.8	51.8	47.7	58.5
Transportation.....	100.0	86.6	69.6	51.0	50.5	53.7	58.1	67.5	71.6	59.9	67.5
Communication.....	100.0	96.6	86.6	69.0	61.1	64.9	69.1	73.5	80.1	77.2	82.4
Trade.....	100.0	81.7	65.5	46.8	53.3	61.6	67.2	75.3	80.7	76.0	80.7
Finance.....	100.0	87.9	72.2	54.9	48.4	51.9	57.6	64.5	69.4	65.5	67.1
Government, including work-program wages.....	100.0	101.7	103.0	102.5	103.7	120.6	125.2	149.2	144.0	155.3	156.1
Government, excluding work-program wages.....	100.0	101.7	102.0	100.4	93.5	98.0	104.0	111.6	116.4	121.7	126.6
Work-program wages.....											
Service.....	100.0	90.7	76.4	58.0	55.3	64.3	71.9	79.5	88.2	83.9	87.1
Miscellaneous.....	100.0	86.5	74.0	59.6	54.0	62.8	67.2	72.2	78.8	77.3	82.7
Social security contributions of employers.....											
Bureau of Labor Statistics wholesale-price index.....	100.0	90.7	76.6	68.0	69.2	78.6	83.9	84.8	90.6	82.5	80.9

¹ Estimates of dividends and interest and corporate savings for 1934 and for subsequent years are based on a different industrial classification than are the estimates of the items for earlier years because of a change in the Revenue Act of 1934. Special tabulations from the Bureau of Internal Revenue permitted the making of estimates for 1934 on the earlier basis. For specific items in certain industries the variations are substantial, but for total income the changes were small and the two estimates were averaged.

deducted from the *gross* value of all goods and services produced. The value of capital consumption is represented by depreciation and depletion charges, which are deducted as a cost in arriving at the national income.

The national income is measured by adding together the net value of products of all producing units, including corporations, Government agencies, partnerships, and individual enterprises. Each of these producing units utilizes personal services and capital provided by individuals who both contribute to the productive process and share in its output. For their efforts, individuals receive income in the form of wages, salaries, interest, dividends, entrepreneurial withdrawals, and net rents. When these distributive shares are less than the net value of product, business enterprises retain undistributed earnings or positive savings. If income disbursed exceeds income produced, the difference, which represents a draft upon net worth, is termed "negative savings." Income disbursed plus business savings equals the national income. Thus, the national income is a measure of the net value of goods and services produced and also of the claims over these goods and services.

The concepts, terminology, and methods of measurement underlying the estimates presented in this article are generally the same as those presented in previous

publications of the Department of Commerce. There have been moderate revisions in the estimates as new source material has become available. In the figures presented in this article, an appreciable increase in the estimates for the power and gas industry for all years has resulted from the inclusion of natural-gas activities for the first time in this study. The estimates of dividends and corporate savings for 1937 have been revised on the basis of corporate income tax return data from the Bureau of Internal Revenue. The 1938 and 1939 figures for these items are preliminary pending the publication of the income tax data for these years.

Manufacturing Up One-fourth in 1939.

The business decline in 1938 and the subsequent recovery in 1939 were characterized by marked fluctuations in the output of the commodity-producing industries, which include agriculture, mining, manufacturing, and construction work done under contract. These industries accounted for more than 80 percent of the income decline in 1938 and two-thirds of the recovery in 1939. Thus, the cyclical decline in business activity which began in the fall of 1937 and continued through the first half of 1938 was largely confined to those areas of the economy which produce commodities, as contrasted with those creating serv-

ices. The durable-goods industries, in particular, revealed sharp declines, with the non-durable-goods industries falling to a lesser extent and the service industries showing only moderate curtailment.

The same general pattern is shown for the 1939 expansion. Both manufacturing and construction increased by approximately one-fourth in 1939, with mining showing a gain of 15 percent and transportation a rise of 13 percent. For all other industrial groups the gains varied from a fractional rise for government to 7 percent in the communication industry. The expansion in regular government activities was offset by the drop of nearly 300 million dollars in work-project wages.

Despite the 25-percent rise in 1939, the net value of product of all manufacturing industries was one-fourth lower in 1939 than in 1929. The income of agriculture was also nearly one-fourth below that of 1929, and mining continued more than one-third under the total of that year. After a moderate decline in 1938, construction increased in 1939 to the highest volume since 1930. Income produced in this industry declined more during the depression than that of any other industrial area, with the 1933 total being barely a sixth of the 1929 aggregate. Recovery in construction was slow through 1935 but thereafter it was rapid, with 1939 nearly 60 percent of the 1929 figure. Among public

utilities, the power and gas industry revealed approximately the same income produced in 1939 as in 1929, whereas the communication industry was one-sixth lower. Government's contribution to the national income in 1939, including the work program, was more than half again as large as in 1929. Excluding work programs, the value of services rendered by all government agencies in 1939 was one-fourth above the 1929 total.

Income Disbursed in Larger Amount in 1939.

As indicated earlier, the national income is determined by adding together the income paid out by all producing units plus their positive or negative business savings. The estimate of business savings, being a residual item, is subject to a considerable margin of error and must be used with caution. All of the limitations of financial-statement items resulting from accounting techniques not adapted to economic purposes tend to be centered in the savings item. Also, in the field of agriculture the break-down of net income of farmers between the withdrawals of the farm operator and business savings of the farm enterprise is based largely on arbitrary assumptions pending further data now in the process of preparation by the Bureau of Agricultural Economics.

In 1938 the national income was nearly 1.5 billion

Table 2.—Income Paid Out, by Type of Payment

(Millions of dollars)

Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Total income paid out.....	80,611	74,211	62,816	49,289	45,515	51,788	55,896	64,151	70,262	65,007	68,600
Total compensation of employees.....	52,776	47,919	40,392	31,516	29,592	34,247	37,239	42,703	47,542	44,301	46,768
Total salaries and wages.....	52,344	47,499	39,857	30,958	28,531	32,385	35,397	39,498	44,209	40,423	43,076
Salaries (selected industries) ¹	6,153	5,959	4,925	3,598	3,260	3,790	4,032	4,370	4,881	4,536	4,652
Wages (selected industries) ¹	14,915	12,352	9,371	6,452	6,796	8,515	9,666	11,166	13,068	10,232	11,630
Salaries and wages (all other industries).....	31,276	29,178	25,561	20,893	18,485	20,110	21,699	23,962	26,260	25,655	26,794
Total supplements to salaries and wages.....	432	420	535	563	1,061	1,862	1,842	3,205	3,333	3,878	3,692
Work-program wages ²	—	—	59	132	646	1,430	1,339	2,383	1,783	2,145	1,849
Social security contributions of employers.....	432	420	476	431	415	429	496	523	600	1,110	1,196
Other labor income.....	—	—	—	—	—	—	—	—	—	—	—
Total dividends and interest.....	11,851	11,715	10,270	8,393	7,351	7,937	8,055	9,721	9,794	8,255	8,956
Dividends.....	5,945	5,634	4,280	2,727	2,193	2,725	2,931	4,651	4,752	3,370	4,124
Interest.....	5,906	6,081	5,990	5,666	5,158	5,212	5,124	5,070	5,042	4,885	4,832
Entrepreneurial withdrawals.....	12,620	11,993	10,148	8,156	7,364	8,149	8,911	9,818	10,813	10,473	10,826
Net rents and royalties.....	3,364	2,074	2,066	1,224	1,208	1,455	1,691	1,909	2,113	1,975	2,050
Percentages of 1929											
Total income paid out.....	100.0	92.1	77.9	61.1	56.5	64.2	69.3	79.6	87.2	80.6	85.1
Total compensation of employees.....	100.0	90.8	76.5	59.7	56.1	64.9	70.6	80.9	90.1	83.9	88.6
Total salaries and wages.....	100.0	90.7	76.1	59.1	54.5	61.9	67.8	75.5	84.5	77.2	82.3
Salaries (selected industries) ¹	100.0	96.8	80.1	58.3	53.0	61.1	65.3	71.0	79.3	73.7	75.6
Wages (selected industries) ¹	100.0	82.7	62.8	43.5	45.5	57.1	64.8	74.9	87.6	68.6	78.0
Salaries and wages (all other industries).....	100.0	93.3	81.7	66.8	59.1	64.3	69.4	76.6	84.0	82.0	85.7
Total supplements to salaries and wages.....	100.0	104.2	110.9	130.3	245.6	431.0	426.4	741.9	771.5	897.7	854.6
Work-program wages ²	—	—	—	—	—	—	—	—	—	—	—
Social security contributions of employers.....	100.0	104.2	103.2	99.5	96.1	99.3	114.8	121.1	135.9	142.1	145.1
Other labor income.....	—	—	—	—	—	—	—	—	—	—	—
Total dividends and interest.....	100.0	98.9	86.7	70.8	62.0	67.0	68.0	82.0	82.6	69.7	75.6
Dividends.....	100.0	94.8	72.0	45.9	36.9	45.8	49.3	78.2	79.9	56.7	69.4
Interest.....	100.0	103.0	101.4	95.9	87.3	88.2	86.8	85.8	85.4	82.8	81.8
Entrepreneurial withdrawals.....	100.0	94.3	80.4	64.6	58.4	64.6	70.6	77.8	85.7	83.0	85.8
Net rents and royalties.....	100.0	79.5	60.5	36.4	35.9	43.3	50.3	56.7	62.8	58.7	60.9
Bureau of Labor Statistics cost-of-living index.....	100.0	97.5	89.1	80.2	76.2	79.1	81.1	82.1	84.7	83.4	82.6

¹ Includes mining, manufacturing, steam railroads, Pullman, railway express, and water transportation.

² Includes pay rolls and maintenance of Civilian Conservation Corps enrollees and pay rolls of Civil Works Administration, Federal Emergency Relief Administration, and the Federal Works Program projects plus administrative pay rolls outside of Washington, D. C., for all except the Federal Works Program. Area Statistical Office employees and their pay rolls under the Federal Works Program are included with the regular Federal Government employment and pay-roll figures.

dollars below the total income disbursed, indicating that part of the income distributed came from the existing resources of business enterprises rather than exclusively from current production. For corporations, negative savings in 1938 are estimated at more than 2 billion dollars, which was in part offset by positive savings (primarily in agriculture) for noncorporate enterprises. Preliminary estimates based upon published statements of corporations reveal a sharp drop to about one-quarter billion dollars in negative corporate savings for 1939. For noncorporate enterprises, savings are estimated to be positive to the extent of approximately 1 billion dollars in 1939. Thus, while income disbursed in 1938 was nearly 1.5 billion above the national income, in 1939 the national income exceeded income disbursed by about half that amount. Income distributed rose 3.6 billion dollars in 1939, as compared with a rise of 5.8 billion dollars in the national income.

Disbursements for the services of employees increased from 44.3 billion dollars in 1938 to 46.8 billion dollars in 1939. Exclusive of work-project wages the increase was 2.8 billion dollars, or 6.5 percent. Work-project wages were nearly 13 percent lower in 1939 than in the preceding year. In those industries in which salaries and wages could be segregated, the fluctuations in wages continued to exceed those in salaries. Salaries in these industries were only slightly higher in 1939 than in 1938, while wages in the same industries rose nearly 14 percent. In 1938, wages fell more than one-fifth, as compared with a drop of less than one-tenth in salaries. With no major change in pay-roll tax rates, Social Security contributions of employees in 1939 closely paralleled the rise in all wages and salaries.

After the sharp decline of nearly 30 percent in 1938, dividend payments rose substantially in 1939, recovering more than half of the previous year's decline. Although the total of dividends paid in 1939 was nearly double that of 1933, it was approximately 30 percent below the 1929 peak. Interest payments declined slightly in 1939, extending the downward trend which began in

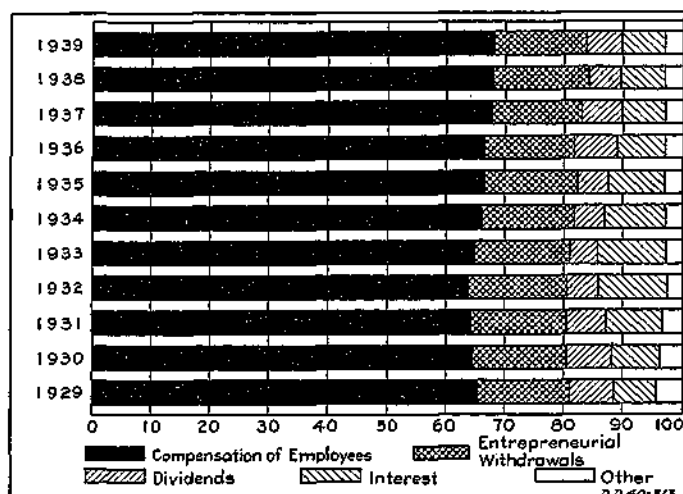


Figure 5.—Percentage Distribution of Income Paid Out by Type of Payment, 1929-39.

1931. The 1939 total was about one-fifth less than the peak figure recorded in 1930. The fall in interest payments since 1930 has resulted from widespread mortgage and bond defaults and a large amount of refinancing at lower interest rates.

Percentage Distribution of Income Components.

With the exception of a rather substantial increase in dividends and a decline in entrepreneurial withdrawals and work-program wages, the component elements of income paid out in 1939 remained in much the same relationship to total disbursements as that which prevailed in 1938. Compensation of employees accounted for 68.2 percent of the total income disbursed in 1939, fractionally above the 1938 proportion and the highest proportion for any of the years covered by the Department of Commerce estimates. Salaries and wages excluding work-project wages accounted for 62.8 percent of the 1939 income paid out. Work-project wages represented 2.7 percent of the total. Social Security contributions of employers, which are included in the income distributed since they accrue to the benefit of the employees, comprised slightly less than 2 percent of income paid out.

Table 3.—Percentage Distribution of Income Paid Out by Type of Payment

Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Total income paid out.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total compensation of employees.....	65.5	64.6	64.3	63.9	65.0	66.1	66.6	66.6	67.7	68.1	68.2
Total salaries and wages.....	65.0	64.0	63.5	62.7	62.7	62.5	63.3	61.6	62.9	62.2	62.8
Total supplements to salaries and wages.....	.5	.6	.8	1.2	2.3	3.6	3.3	5.0	4.8	5.9	5.4
Work-program wages ¹1	.3	1.4	2.7	2.4	3.7	2.5	3.3	2.7
Social security contributions of employers.....								.5	1.4	1.7	1.8
Other labor income.....	.5	.6	.7	.9	.9	.9	.9	.8	.9	.9	.9
Total dividends and interest.....	14.7	15.8	16.3	17.0	16.2	15.4	14.4	15.2	13.9	12.7	13.1
Dividends.....	7.4	7.6	6.8	5.5	4.8	5.3	5.2	7.3	6.7	5.2	6.0
Interest.....	7.3	8.2	9.5	11.5	11.4	10.1	9.2	7.9	7.2	7.5	7.1
Entrepreneurial withdrawals.....	15.6	16.0	16.2	16.6	16.1	15.7	16.0	15.2	15.4	16.2	15.7
Net rents and royalties.....	4.2	3.6	3.2	2.5	2.7	2.8	3.0	3.0	3.0	3.0	3.0

¹ Includes pay roll and maintenance of Civilian Conservation Corps enrollees and pay rolls of Civil Works Administration, Federal Emergency Relief Administration and the Federal Works Program projects plus administrative pay rolls outside of Washington, D. C., for all except the Federal Works Program. Area Statistical Office employees and their pay rolls under the Federal Works Program are included with the regular Federal Government employment and pay-roll figures.

Following a sharp decline to a new low of 12.7 percent in 1938, combined dividend and interest payments accounted for a slightly larger percentage of the total income paid out in 1939. However, the 13.1 percent of income paid out which took the form of dividends and interest was lower than in any other year studied except for 1938. Dividends accounted for 6 percent of income disbursements in 1939, as compared with 5.2 percent in 1938 and a high of 7.6 percent in 1930. Interest payments represented a new low in 1939 of only 7.1 percent of total income disbursed. Rents continued to account for about 3 percent of total income disbursed in 1939.

Employment and Per Capita Earnings Higher in 1939.

Table 4 shows that both the number of employees and their per capita income was higher in 1939 than in 1938. Average annual earnings per full-time worker in all industries increased from \$1,284 in 1938 to \$1,329 in 1939. The average in 1939 was higher than in any year since 1931. It should be noted that average earnings per employee do not represent the average earnings of all workers who were employed at any time during the year, but rather the average earnings per worker who appeared on pay rolls regularly. In a few instances it is possible to adjust for part-time work within pay periods; but, by and large, the number of

workers used for deriving average annual earnings represents an average of the number working in each pay period. Therefore, *full-time* as used here means regularly throughout the year, but not necessarily full-time within each week or month.

A comparison of changes in the per capita income of employees and in the Bureau of Labor Statistics index of cost of living of urban wage earners indicates a considerably higher real income per full-time worker in 1939 than in any previous year. It should be noted, however, that with a marked increase in unemployment in 1939 relative to 1929, the employed workers probably are not, in many instances, engaged full time; and, also, they must support other employable persons in their families without jobs. However, the figures do indicate higher rates of return in terms of goods and services for each fully employed worker.

The figures in table 5 reveal trends from year to year in salaries and wages of workers for approximately 40 industrial categories. In this break-down it is interesting to note the marked divergencies among industries in pay-roll changes from year to year and from one phase of the business cycle to another. In 1939 wages declined in agriculture and remained practically unchanged in such areas as the mining industry, the food and tobacco industry, the power and gas industry, and others. On the other hand, substantial increases (as large as 25 percent, or more) are shown for the

Table 4.—Number of Employees and the Per Capita Income of Employees¹

Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
NUMBER OF EMPLOYEES (THOUSANDS)											
All employees ²	35,563	33,122	29,715	26,222	26,133	28,402	29,725	31,858	33,768	31,239	32,419
Salaried employees (selected industries) ³	2,478	2,373	2,050	1,693	1,634	1,531	1,922	2,068	2,206	2,064	2,100
Wage earners (selected industries) ³	10,964	9,649	8,155	6,877	7,430	8,553	9,021	9,765	10,618	8,832	9,404
Salaried employees or wage earners (all other industries).....	22,121	21,100	19,510	17,652	17,069	18,018	18,782	20,025	20,944	20,343	20,915
PER CAPITA INCOME OF EMPLOYEES											
All employees ²	\$1,472	\$1,433	\$1,341	\$1,180	\$1,092	\$1,140	\$1,191	\$1,240	\$1,309	\$1,294	\$1,329
Salaried employees (selected industries) ³	2,483	2,511	2,404	2,119	1,995	2,054	2,098	2,113	2,213	2,193	2,215
Wage earners (selected industries) ³	1,360	1,278	1,149	943	913	996	1,071	1,143	1,231	1,159	1,237
Salaried employees or wage earners (all other industries).....	1,414	1,333	1,310	1,183	1,083	1,116	1,155	1,197	1,254	1,261	1,281
Percentages of 1929											
NUMBER OF EMPLOYEES											
All employees ²	100.0	93.1	83.6	73.7	73.5	79.9	83.6	89.6	95.0	87.8	91.3
Salaried employees (selected industries) ³	100.0	95.8	82.7	68.3	65.9	73.9	77.6	83.5	89.0	83.3	84.7
Wage earners (selected industries) ³	100.0	88.0	74.4	62.7	67.8	78.0	82.3	89.1	96.8	80.6	85.8
Salaried employees or wage earners (all other industries).....	100.0	95.4	88.2	79.8	77.2	81.5	84.9	90.5	94.7	92.0	94.5
PER CAPITA INCOME OF EMPLOYEES											
All employees ²	100.0	97.4	91.1	80.2	74.2	77.4	80.9	84.2	88.9	87.9	90.3
Salaried employees (selected industries) ³	100.0	101.1	96.8	85.3	80.3	82.7	84.5	85.1	89.1	88.5	89.2
Wage earners (selected industries) ³	100.0	94.0	84.5	69.3	67.1	73.2	78.8	84.0	94.5	90.5	97.0
Salaried employees or wage earners (all other industries).....	100.0	97.8	92.6	83.7	78.6	78.9	81.7	84.7	88.7	89.2	90.6
Bureau of Labor Statistics cost-of-living index.....	100.0	97.5	89.1	80.2	76.2	79.1	81.1	82.1	84.7	83.4	82.6

¹ The estimates of the number employed are averages for the year and represent full-time-equivalent numbers for industries in which data permit such adjustments.

² Does not include employers and self-employed persons, such as farmers, merchants, independent professional practitioners, etc., nor work project employees and unpaid family farm labor.

³ Includes mining, manufacturing, steam railroads, Pullman, railway express, and water transportation.

metal and metal-products industry and the construction industry. Similarly, the declines from 1929 to the depression lows and the subsequent recoveries varied greatly among different major industrial groups and

subgroups. Pay rolls in 1939 were higher than in 1929 in the food and tobacco, air transportation, electric light and power, gas, and professional-service industries, as well as in all of the categories of government.

Table 5.—Total Compensation of Employees, by Industrial Groups, 1929-39

Item	Absolute numbers (in millions of dollars)											Percentages of 1929									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Total compensation of employees ¹	52,776	47,919	40,362	31,516	29,592	34,247	37,239	42,703	47,542	44,301	48,768	90.8	76.5	59.7	56.1	64.9	70.6	80.9	90.1	83.9	88.6
Total salaries and wages ²	42,344	47,469	39,857	30,953	28,531	32,335	35,397	39,408	44,209	40,423	43,076	90.7	76.1	59.1	54.5	61.9	67.6	75.5	84.5	77.2	82.3
Agriculture, total	1,284	1,134	847	584	517	558	639	690	794	759	750	88.3	66.0	45.5	40.3	43.5	49.8	53.7	61.8	59.0	58.4
Mining, total	1,692	1,407	1,027	709	725	932	996	1,132	1,261	1,046	1,059	87.8	64.1	44.3	45.3	59.4	62.3	70.7	78.7	65.3	66.1
Anthracite	257	247	200	146	128	153	135	129	123	101	104	96.1	77.8	56.8	49.8	59.5	52.5	50.2	47.9	39.3	40.5
Bituminous coal	636	531	401	275	297	413	443	520	534	416	423	83.5	63.1	43.2	46.7	64.9	69.7	81.8	84.0	65.4	66.5
Metal	212	177	111	57	57	77	99	138	205	142	157	53.5	52.4	26.9	26.9	36.3	46.7	65.1	96.7	67.0	74.1
Nonmetal	151	139	108	66	62	76	84	105	120	115	125	92.1	71.5	45.0	41.1	50.3	55.6	69.5	79.5	76.2	82.8
Oil and gas	346	313	207	163	181	233	237	240	279	272	250	90.5	59.8	47.1	52.3	67.3	68.5	69.4	80.6	78.6	72.3
Manufacturing, total	15,766	13,591	10,565	7,391	7,464	9,311	10,493	11,914	13,963	11,344	12,678	86.2	67.0	46.9	47.3	59.1	65.6	75.6	88.6	72.0	80.4
Food and tobacco	1,550	1,480	1,256	1,017	1,044	1,288	1,320	1,418	1,572	1,427	1,549	95.5	81.0	65.6	67.4	81.3	85.7	91.5	101.4	98.5	99.9
Paper, printing and publishing	1,615	1,620	1,383	1,063	950	1,093	1,168	1,266	1,420	1,351	1,395	100.3	85.6	65.8	58.8	67.7	72.3	78.4	87.9	83.7	86.4
Textiles and leather	2,868	2,412	2,108	1,528	1,676	1,957	2,175	2,268	2,421	2,054	2,241	83.2	72.7	52.7	57.8	67.5	75.1	78.3	83.5	70.9	77.3
Construction materials and furniture	1,811	1,445	988	590	608	759	894	1,100	1,292	1,057	1,199	79.8	54.6	32.6	33.6	41.9	49.5	60.7	71.3	58.4	66.2
Chemicals and petroleum refining	858	817	672	528	530	631	677	721	850	785	815	95.2	73.3	61.3	61.8	73.6	78.9	84.0	99.1	91.5	95.0
Metal and metal products	5,812	4,695	3,273	2,038	2,075	2,911	3,511	4,335	5,498	3,784	4,624	80.8	56.3	35.1	35.7	50.1	60.4	74.6	94.6	65.1	79.6
Miscellaneous and rubber	622	521	400	285	289	364	369	461	534	425	488	83.8	64.3	45.8	46.5	58.5	64.1	74.1	85.9	68.3	73.5
Central administrative offices	600	598	457	344	292	338	338	345	376	361	367	99.7	81.2	57.3	48.7	54.7	56.3	57.5	62.7	60.2	61.2
Contract construction, total	3,065	2,302	1,620	865	528	638	793	1,257	1,825	1,385	1,667	75.1	52.9	28.2	17.2	20.8	25.9	41.0	49.9	45.2	54.4
Transportation, total	4,939	4,491	3,770	2,826	2,603	2,840	3,104	3,495	3,828	3,412	3,632	90.9	76.3	57.2	52.7	57.5	62.8	70.8	77.4	71.9	73.5
Steam railroads, Pullman and express	3,228	2,850	2,333	1,685	1,560	1,689	1,831	2,056	2,218	1,961	2,089	83.3	72.3	52.2	48.3	52.3	56.7	63.7	68.7	60.7	64.7
Water transportation	472	443	374	265	297	323	376	434	507	417	456	93.9	79.2	60.4	62.9	68.4	79.7	91.9	107.4	83.3	96.6
Motor transportation and public warehouses	719	711	627	500	435	498	558	645	715	658	700	98.9	87.2	69.5	60.5	69.3	77.6	89.7	99.4	90.8	97.4
Street railways	464	434	384	312	268	281	285	299	312	308	312	93.5	82.3	67.2	57.8	69.8	61.4	64.4	67.2	66.4	67.2
Air transportation	6	9	12	13	13	14	16	20	24	27	31	150.0	200.0	216.7	216.7	233.3	266.7	333.3	400.0	450.0	516.7
Pipe lines	50	44	40	31	30	35	38	41	49	46	44	88.0	80.0	62.0	60.0	70.0	76.0	82.0	98.0	92.0	88.0
Power and gas, total	656	651	584	483	450	497	540	594	665	668	671	99.2	89.0	73.6	68.6	75.3	82.3	90.5	101.4	101.5	102.3
Electric light and power	439	448	396	312	286	313	342	385	447	449	452	102.1	90.2	71.1	65.1	71.3	77.9	87.7	101.8	102.8	103.0
Gas	217	203	188	171	164	184	198	209	218	219	219	93.5	86.6	78.8	75.6	84.3	91.2	96.3	100.5	100.9	100.9
Communication, total	707	717	641	534	452	462	507	539	606	610	621	101.4	90.7	75.5	65.3	60.6	71.7	76.2	85.7	86.3	87.8
Telephone	590	597	537	448	394	415	432	458	517	530	540	101.2	91.0	77.6	69.8	70.3	73.2	77.6	87.6	89.8	91.6
Telegraph	117	120	104	76	68	77	75	81	89	80	81	102.6	88.9	65.0	58.1	65.8	64.1	60.2	76.1	68.4	69.2
Trade, total	8,307	7,718	6,716	5,247	4,709	5,209	5,510	5,897	6,520	6,270	6,442	92.9	80.8	63.2	56.7	62.7	66.3	71.0	78.5	75.5	77.5
Retail trade	5,218	4,795	4,216	3,292	2,980	3,224	3,365	3,622	4,008	3,823	3,947	91.9	80.8	63.1	57.1	61.8	64.5	69.4	76.8	73.4	75.6
Wholesale trade	3,089	2,923	2,500	1,955	1,729	1,985	2,145	2,275	2,511	2,447	2,495	94.6	80.9	63.3	56.0	64.3	69.4	73.6	81.3	79.1	80.8
Finance, total ³	2,503	2,404	2,138	1,898	1,705	1,794	1,794	1,925	2,083	1,962	1,993	96.0	85.4	75.8	68.1	70.5	71.7	76.9	81.3	78.4	79.6
Banking	809	797	725	617	534	565	562	573	597	604	619	98.5	89.6	78.3	66.0	69.8	69.5	70.8	73.8	74.9	76.5
Insurance	984	981	908	838	763	803	843	889	936	920	930	99.7	92.3	85.2	77.5	81.6	85.7	90.3	95.1	93.5	94.5
Security brokerage and real estate	710	626	505	448	408	396	389	403	502	436	444	88.2	71.1	62.4	57.5	55.8	54.8	65.2	70.7	61.4	62.5
Government, total	4,945	5,070	5,058	4,905	4,391	4,533	4,959	5,388	5,616	5,923	6,195	102.5	102.3	99.2	88.8	92.1	100.3	109.0	113.6	119.9	125.3
Federal ⁴	1,398	1,426	1,444	1,359	1,222	1,415	1,678	1,893	1,908	1,931	2,074	101.9	103.3	97.2	87.4	101.2	120.0	135.4	136.6	138.1	148.4
State	392	408	431	434	414	427	473	531	591	656	681	104.1	109.9	110.7	105.6	108.9	120.7	135.5	160.8	167.3	173.7
City	1,167	1,194	1,183	1,111	954	954	976	1,040	1,076	1,204	1,237	102.3	97.5	95.2	80.0	83.7	83.6	89.1	92.2	103.2	106.0
County, township, and minor units	376	386	382	377	331	337	351	372	396	420	442	102.7	101.6	100.3	88.0	89.6	93.4	98.9	103.3	111.7	117.6
Public education	1,612	1,657	1,663	1,624	1,490	1,420	1,481	1,552	1,645	1,717	1,761	102.8	103.2	100.7	92.4	98.1	91.9	96.3	102.6	105.5	109.2
Service, total	6,373	5,903	5,094	4,075	3,630	4,114	4,504	4,982	5,546	5,256	5,463	92.6	79.9	63.9	57.0	64.6	70.7	78.2	87.0	82.5	85.7
Professional service ⁵	1,224	1,253	1,193	1,085	1,011	1,014	1,057	1,134	1,213	1,253	1,283	102.4	97.5	89.5	82.6	82.8	86.4	92.6	99.1	102.4	104.7
Personal service ⁶	2,078	1,942	1,698	1,336	1,185	1,408	1,586	1,703	1,934	1,814	1,871	93.5	81.7	64.3	55.7	67.8	76.3	84.8	93.1	87.3	90.9
Recreation and amusement ⁷	478	438	364	293	269	283	316	355	410	394	413	91.6	76.2	61.3	54.2	59.2	66.1	74.3	85.8	82.4	86.4
Business service ⁸	456	427	382	307	277	282	327	349	379	368	375	93.6	83.8	67.3	60.7	68.4	71.7	76.5	83.1	80.7	82.2
Miscellaneous and domestic service ⁹	2,137	1,843	1,457	1,044	925	1,097	1,218	1,381	1,610	1,427	1,521	86.2	68.2	48.9	43.3	51.3	57.0	64.6	75.3	66.8	71.2
Miscellaneous, total	2,197	2,061	1,797	1,436	1,347	1,457	1,556	1,685	1,850	1,784	1,905	94.7	81.8	65.4	61.3	66.3	70.3	76.7	84.2	81.2	86.7
Work-program wages	-----	-----	59	132	646	1,430	1,339	2,383	1,783	2,145	1,869	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Employers' contribution to social security	-----	-----	-----	-----	-----	3	7	29	600	1,119	1,196	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Other labor income	432	450	446	431	415	420	496	523	599	614	627	104.2	103.2	99.8	96.1	99.3	114.8	121.1	138.9	142.1	145.1

¹ Includes salaries and wages, work project wages, compensation for injuries, pensions granted under formal private plans, and contributions of employers to social security. The industrial classification covers only salaries and wages.

² Does not include certain miscellaneous financial institutions which have been included in "Miscellaneous."

³ Does not include work project wages.

⁴ Includes religious, private educational, curative, legal, accounting, and engineering (consulting) activities.

⁵ Includes hotels, restaurants, laundries, cleaning and dyeing establishments, apartment houses and office buildings, barber and beauty shops, etc.

⁶ Includes motion-picture production and exhibition, radio broadcasting, and other activities primarily providing entertainment.

⁷ Includes advertising agencies, trade associations, chambers of commerce, and other enterprises serving business establishments.